

EXHIBIT 56

**Schedule K-1
(Form 1065)**Department of the Treasury
Internal Revenue Service**2020**

For calendar year 2020, or tax year

beginning

ending

Partner's Share of Income, Deductions, Credits, etc.

▶ See separate instructions.

Part I Information About the Partnership**A** Partnership's employer identification number**B** Partnership's name, address, city, state, and ZIP codeSE MULTIFAMILY HOLDINGS LLC
300 CRESCENT COURT, SUITE 700
DALLAS, TX 75201**C** IRS Center where partnership filed return ▶**E-FILE****D** ☐ Check if this is a publicly traded partnership (PTP)**Part II Information About the Partner****E** Partner's SSN or TIN (Do not use TIN of a disregarded entity. See instructions.)**F** Name, address, city, state, and ZIP code for partner entered in E. See instructions.NEXPOINT REAL ESTATE PARTNERS LLC
300 CRESCENT COURT, SUITE 700
DALLAS, TX 75201**G** ☐ General partner or LLC member-manager ☒ Limited partner or other LLC member**H1** ☒ Domestic partner ☐ Foreign partner**H2** ☐ If the partner is a disregarded entity (DE), enter the partner's:

TIN _____ Name _____

I1 What type of entity is this partner? **PARTNERSHIP****I2** If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐**J** Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	0.0000000 %	47.9400000 %
Loss	0.0000000 %	47.9400000 %
Capital	47.9400000 %	47.9400000 %

Check if decrease is due to sale or exchange of partnership interest ☐**K** Partner's share of liabilities:

	Beginning	Ending
Nonrecourse	\$ 9,484,430.	\$ 3,965,456.
Qualified nonrecourse financing	\$ 102,927,058.	\$ 50,821,340.
Recourse	\$ 0.	\$ 0.

☐ Check this box if Item K includes liability amounts from lower tier partnerships.**L Partner's Capital Account Analysis
SEE STATEMENT**

Beginning capital account	\$ 33,447,284.
Capital contributed during the year	\$ 531,937.
Current year net income (loss)	\$ 6,154,534.
Other increase (decrease) (attach explanation)	\$
Withdrawals & distributions	\$ (46,846,511.)
Ending capital account	\$ -6,712,756.

M Did the partner contribute property with a built-in gain or loss?☐ Yes ☒ No If "Yes," attach statement. See instructions.**N Partner's Share of Net Unrecognized Section 704(c) Gain or (Loss)**

Beginning	\$
Ending	\$

☐ Final K-1☐ Amended K-1

OMB No. 1545-0123

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1 Ordinary business income (loss)	15 Credits
0.	
2 Net rental real estate income (loss)	16 Foreign transactions
-2,953,280.	
3 Other net rental income (loss)	
4a Guaranteed payments for services	
4b Guaranteed payments for capital	
4c Total guaranteed payments	
5 Interest income	17 Alternative min tax (AMT) items
489.	
6a Ordinary dividends	18 Tax-exempt income and nondeductible expenses
6b Qualified dividends	C 3,854.
6c Dividend equivalents	
7 Royalties	19 Distributions
	A 46,846,511.
8 Net short-term capital gain (loss)	20 Other information
9a Net long-term capital gain (loss)	A 489.
	N * 5,329,847.
9b Collectibles (28%) gain (loss)	Z * STMT
	AG * 62,384,943.
9c Unrecaptured section 1250 gain	
1,732,245.	
10 Net section 1231 gain (loss)	
9,111,179.	
11 Other income (loss)	
12 Section 179 deduction	
13 Other deductions	
14 Self-employment earnings (loss)	
A 0.	
21 <input type="checkbox"/> More than one activity for at-risk purposes*	
22 <input checked="" type="checkbox"/> More than one activity for passive activity purposes*	

*See attached statement for additional information.

For IRS Use Only

SE MULTIFAMILY HOLDINGS LLC

SCHEDULE K-1 BUSINESS INTEREST EXPENSE, BOX 20, CODE N

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
BUSINESS INTEREST EXPENSE - (INCLUDED IN RENTAL REAL ESTATE INCOME (LOSS))	SEE PARTNERS INSTRUCTIONS	5,329,847.
TOTAL TO SCHEDULE K-1, BOX 20, CODE N		5,329,847.

SCHEDULE K-1 SECTION 199A INFORMATION, BOX 20, CODE Z

DESCRIPTION	AMOUNT
RENT - RENTAL REAL ESTATE	
RENTAL INCOME (LOSS)	-3,495,350.
SECTION 1231 GAIN (LOSS)	8,949,392.
UNADJUSTED BASIS OF ASSETS	110,381,702.

SCH K-1

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 20, UNDER CODE Z. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF THE QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

SCHEDULE K-1 GROSS RECEIPTS FOR SECTION 448(C), BOX 20, CODE AG

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
GROSS RECEIPTS - CURRENT YEAR	SEE IRS SCH. K-1 INSTRUCTIONS	62,384,943.
TOTAL TO SCHEDULE K-1, LINE 20 AG		62,384,943.

SCHEDULE K-1 CURRENT YEAR NET INCOME (LOSS) AND OTHER INCREASES(DECREASES)

DESCRIPTION	AMOUNT	TOTALS
RENTAL REAL ESTATE INCOME (LOSS)	-2,953,280.	
INTEREST INCOME	489.	
SECTION 1231 GAIN (LOSS)	9,111,179.	
SCHEDULE K-1 INCOME SUBTOTAL		6,158,388.
NONDEDUCTIBLE EXPENSES	-3,854.	
SCHEDULE K-1 DEDUCTIONS SUBTOTAL		-3,854.
NET INCOME (LOSS) PER SCHEDULE K-1		6,154,534.

SCHEDULE K-1 ITEM L. PARTNER'S CAPITAL ACCOUNT ANALYSIS

BEGINNING CAPITAL ACCOUNT METHOD USED - TAX BASIS

SE MULTIFAMILY HOLDINGS LLC

SCHEDULE K-1

FOOTNOTES

LINE 20Y: NET INVESTMENT INCOME TAX (NII):
THE PARTNERSHIP IS ENGAGED IN ACTIVITIES WHERE ITEMS OF
INCOME/DEDUCTION/GAIN/LOSS REPORTED ON THIS SCHEDULE K-1 MAY
BE SUBJECT TO THE 3.8% NET INVESTMENT INCOME ("NII") TAX
UNDER IRC SECTION 1411. CERTAIN PORTFOLIO INCOME, PASSIVE
TRADE OR BUSINESS NET INCOME, NET RENTAL INCOME, OR TRADER
INCOME (FROM FINANCIAL INSTRUMENTS OR COMMODITIES AS DEFINED
UNDER REG. SECTION 1.1411-5(C)(1)&(2)) IS SUBJECT TO THE
NII TAX. PLEASE CONSULT YOUR TAX ADVISOR.
FOR TAX YEARS BEGINNING ON OR AFTER JANUARY 1, 2020, THE IRS
REQUIRES THE AMOUNTS IN ITEM L OF THE SCHEDULE K-1 TO BE
REPORTED ON THE TAX BASIS METHOD. YOUR BEGINNING CAPITAL
ACCOUNT HAS BEEN COMPUTED TO CONFORM TO THIS NEW IRS
REQUIREMENT. ANY TAX BASIS CAPITAL NUMBER REPORTED TO YOU
SHOULD NOT BE RELIED UPON FOR PURPOSES OF COMPUTING YOUR
OUTSIDE TAX BASIS IN YOUR PARTNERSHIP INTEREST. NO
DETERMINATION HAS BEEN MADE AS TO WHETHER ANY DEDUCTION OF
LOSSES ARE LIMITED UNDER SECTION 465 OR IF ANY DISTRIBUTIONS
IN EXCESS OF A PARTNER'S TAX BASIS MAY BE TREATED AS A SALE
OF PARTNERSHIP INTEREST UNDER SECTION 731.

PRIOR YEAR ENDING CAPITAL ACCOUNT METHOD: BOOK
CURRENT YEAR BEGINNING CAPITAL ACCOUNT METHOD: TAX BASIS

List of Codes Used in Schedule K-1 (Form 1065)

Box Number / Item		Where to report or where to find further reporting information. Page numbers refer to this instruction.
1. Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.		
	Passive loss	See page 8
	Passive income	Schedule E (Form 1040), line 28, column (h)
	Nonpassive loss	See page 8
	Nonpassive income	Schedule E (Form 1040), line 28, column (k)
2. Net rental real estate income (loss)		See page 8
3. Other net rental income (loss)		
	Net income	Schedule E (Form 1040), line 28, column (h)
	Net loss	See Instructions for Form 8582
4a. Guaranteed payment Services		See instructions for Schedule E (Form 1040)
4b. Guaranteed payment Capital		See instructions for Schedule E (Form 1040)
4c. Guaranteed payment Total		See page 8
5. Interest income		Form 1040 or 1040-SR, line 2b
6a. Ordinary dividends		Form 1040 or 1040-SR, line 3b
6b. Qualified dividends		Form 1040 or 1040-SR, line 3a
6c. Dividend equivalents		See page 9
7. Royalties		Schedule E (Form 1040), line 4
8. Net short-term capital gain (loss)		Schedule D (Form 1040), line 5
9a. Net long-term capital gain (loss)		Schedule D (Form 1040), line 12
9b. Collectibles (28%) gain (loss)		28% Rate Gain Worksheet, line 4 (Schedule D instructions)
9c. Unrecaptured section 1250 gain		See page 9
10. Net section 1231 gain (loss)		See page 9
11. Other income (loss)		
	Code A. Other portfolio income (loss)	See page 9
	Code B. Involuntary conversions	See page 9
	Code C. Section 1256 contracts & straddles	Form 6781, line 1
	Code D. Mining exploration costs recapture	See Pub. 535
	Code E. Cancellation of debt	See page 9
	Code F. Section 743(b) positive adjustments	See page 10
	Code G. Section 965 inclusion	See page 10
	Code H. Income under subpart F (other than inclusions under section 951A)	See page 10
	Code I. Other income (loss)	See page 10
12. Section 179 deduction		See page 11
13. Other deductions		
	Code A. Cash contributions (60%)	See page 11
	Code B. Cash contributions (30%)	See page 11
	Code C. Noncash contributions (50%)	See page 11
	Code D. Noncash contributions (30%)	See page 11
	Code E. Capital gain property to a 50% organization (30%)	See page 11
	Code F. Capital gain property (20%)	See page 11
	Code G. Contributions (100%)	See page 11
	Code H. Investment interest expense	Form 4952, line 1
	Code I. Deductions - royalty income	Schedule E (Form 1040), line 19
	Code J. Section 59(e)(2) expenditures	See page 12
	Code K. Excess business interest expense	See page 12
	Code L. Deductions - portfolio (other)	Schedule A, line 16
	Code M. Amounts paid for medical insurance	Schedule A, line 1, or Schedule 1 (Form 1040), line 16
	Code N. Educational assistance benefits	See page 12
	Code O. Dependent care benefits	Form 2441, line 12
	Code P. Preproductive period expenses See the Partner's Instructions	See page 12
	Code Q. Commercial revitalization deduction from rental real estate activities	See Form 8582 instructions
	Code R. Pensions and IRAs	See page 12
	Code S. Reforestation expense deduction	See page 12
	Codes T through U. Reserved for future use	
	Code V. Section 743(b) negative adjustments	See page 12
	Code W. Other deductions	See page 12
	Code X. Section 965(c) deduction	See page 13
Code 14. Self-employment earnings (loss)		
	Note. If you have a section 179 deduction or any partner-level deductions, see page 13 before completing Schedule SE (Form 1040).	
	Code A. Net earnings (loss) from self-employment	Schedule SE (Form 1040)
	Code B. Gross farming or fishing income	See page 13
	Code C. Gross non-farm income	See page 13

List of Codes Used In Schedule K-1 (Form 1065) (continued)

Box Number / Item		Where to report or where to find further reporting information. Page numbers refer to this instruction.
15. Credits		
	Code A. Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See page 13
	Code B. Low-income housing credit (other) from pre-2008 buildings	See page 13
	Code C. Low-income housing credit (section 42(j)(5)) from post-2007 buildings	See page 13
	Code D. Low-income housing credit (other) from post-2007 buildings	See page 13
	Code E. Qualified rehabilitation expenditures (rental real estate)	See page 13
	Code F. Other rental real estate credits	See page 14
	Code G. Other rental credits }See the Partner's Instructions	See page 14
	Code H. Undistributed capital gains credit	Schedule 3 (Form 1040), line 12, box a
	Code I. Biofuel producer credit	See page 14
	Code J. Work opportunity credit	See page 14
	Code K. Disabled access credit	See page 14
	Code L. Empowerment zone employment credit	See page 14
	Code M. Credit for increasing research activities	See page 14
	Code N. Credit for employer social security and Medicare taxes	See page 14
	Code O Backup withholding	See page 14
	Code P Other credits	See page 14
16. Foreign transactions		
	Code A. Name of country or U.S. possession	Form 1116, Part I
	Code B. Gross income from all sources	Form 1116, Part I
	Code C. Gross income sourced at partner level	Form 1116, Part I
	Foreign gross income sourced at partnership level	
	Code D. Reserved for future use	
	Code E. Foreign branch category	Form 1116, Part I
	Code F. Passive category	Form 1116, Part I
	Code G. General category	Form 1116, Part I
	Code H. Other	Form 1116, Part I
	Deductions allocated and apportioned at partner level	
	Code I. Interest expense	Form 1116, Part I
	Code J. Other	Form 1116, Part I
	Deductions allocated and apportioned at partnership level to foreign source income	
	Code K. Reserved for future use	
	Code L. Foreign branch category	Form 1116, Part I
	Code M. Passive category	Form 1116, Part I
	Code N. General category	Form 1116, Part I
	Code O. Other	Form 1116, Part I
	Other information	
	Code P. Total foreign taxes paid	Form 1116, Part II
	Code Q. Total foreign taxes accrued	Form 1116, Part II
	Code R. Reduction in taxes available for credit	Form 1116, line 12
	Code S. Foreign trading gross receipts	Form 8873
	Code T. Extraterritorial income exclusion	Form 8873
	Codes U and V. Reserved for future use	
	Code W. Section 965 information	See page 15
	Code X. Other foreign transactions	See page 15
	Codes Y and Z. Reserved for future use	
	Code AA. Gross receipts per Regulations 1.59A-7(e)(2)-current year	
	Code AB. Gross receipts per Regulations 1.59A-7(e)(2)-first preceding year	
	Code AC. Gross receipts per Regulations 1.59A-7(e)(2)-second preceding year	

List of Codes Used in Schedule K-1 (Form 1065) (continued)

Box Number / Item	Where to report or where to find further reporting information. Page numbers refer to this instruction.
16. Foreign transactions (continued)	
Code AD. Gross receipts per Regulations 1.59A-7(e)(2)-third preceding year	
Code AE. Base erosion tax benefits from base erosion tax payments per Regulations 1.59A-7(d).	
Code AF. Amounts included in the denominator of the base erosion percentage per Regulations 1.59A-2(e)(3)(i)	
Code AG. Section 951A (GILTI) information	
Code AH. Foreign-derived intangible income (FDII) information	
Code AI. Section 864(c)(8) foreign partner's distributive share of the deemed sale items on transfer of partnership interest	
17. Alternative minimum tax (AMT) items	
Code A. Post-1986 depreciation adjustment	See Instructions for Form 6251
Code B. Adjusted gain or loss	See Instructions for Form 6251
Code C. Depletion (other than oil & gas)	See Instructions for Form 6251
Code D. Oil, gas, and geothermal - gross income	See Instructions for Form 6251
Code E. Oil, gas, and geothermal - deductions	See Instructions for Form 6251
Code F. Other AMT items	See Instructions for Form 6251
18. Tax-exempt income and nondeductible expenses	
Code A. Tax-exempt interest income	Form 1040 or 1040-SR, line 2a
Code B. Other tax-exempt income	See page 15
Code C. Nondeductible expenses	See page 15
19. Distributions	
Code A. Cash and marketable securities	See page 15
Code B. Distribution subject to section 737	See page 16
Code C. Other property	See page 16
20. Other information	
Code A. Investment income	Form 4952, line 4a
Code B. Investment expenses	Form 4952, line 5
Code C. Fuel tax credit information	Form 4136
Code D. Qualified rehabilitation expenditures (other than rental real estate)	See page 16
Code E. Basis of energy property	See page 16
Code F. Recapture of low-income housing credit for section 42(j)(5) partnerships	See page 16
Code G. Recapture of low-income housing credit for other partnerships	See page 16
Code H. Recapture of investment credit	See Form 4255
Code I. Recapture of other credits	See page 16
Code J. Look-back interest-completed long-term contracts	See Form 8697
Code K. Look-back interest-income forecast method	See Form 8866
Code L. Dispositions of property with section 179 deductions	See page 17
Code M. Recapture of section 179 deduction	See page 17
Code N. Business interest expense (information item)	See page 17
Code O. Section 453(l)(3) information	Sch. 2 (Form 1040), line 8
Code P. Section 453A(c) information	Sch. 2 (Form 1040), line 8
Code Q. Section 1260(b) information	Sch. 2 (Form 1040), line 8
Code R. Interest allocable to production expenditures	See Regulations sections 1.263A-8 through -15
Code S. Capital construction fund (CCF) nonqualified withdrawals	Sch. 2 (Form 1040), line 10
Code T. Depletion deduction	See Pub. 535
Code U. Reserved for future use	
Code V. Unrelated business taxable income	See page 18

List of Codes Used in Schedule K-1 (Form 1065) (continued)

Box Number / Item	Where to report or where to find further reporting information. Page numbers refer to this instruction.
20. Other information (continued)	
Code W. Precontribution gain (loss)	Form 8949 and/or Schedule D (Form 1040); or Form 4797
Code Y. Net investment income	See Instructions for Form 8960
Code Z. Section 199A information	Form 8995 or Form 8995-A
Code AA. Section 704(c) information	See page 18
Code AB. Section 751 gain (loss)	See page 18
Code AC. Section 1(h)(5) gain (loss)	See page 19
Code AD. Deemed section 1250 unrecaptured gain	See page 19
Code AE. Excess taxable income	See Instructions for Form 8990
Code AF. Excess business interest income	See page 19
Code AG. Gross receipts for section 448(c)	See page 19
Code AH. Other information	See page 19

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Schedule of Activities

For calendar year 2020, or tax year beginning

, 2020, and ending

Name : SE MULTIFAMILY HOLDINGS LLC

For: NEXPOINT REAL ESTATE PARTNERS LLC

Description of Activity	Activity Number	100% Disposed	PTP	P/T 199A	Type Code *	Description
	2	X			8	LAKES AT RENAISSANCE PARK
	1				8	RENTAL REAL ESTATE
	10				8	OAK MILL

	Activity - 2	Activity - 1	Activity - 10
Ordinary business income (loss)			
Net rental real estate income (loss)	-452,276.	1,748,470.	-630,652.
Other net rental income (loss)			
Interest income		489.	
Dividends - Ordinary dividends			
- Qualified dividends			
- Dividend equivalents (1065 only)			
Royalties			
Net short-term capital gain (loss)			
Net long-term capital gain (loss)			
- Collectibles (28%) gain (loss)			
- Unrecaptured Section 1250 gain			
Net section 1231 gain (loss)			
Other portfolio income			
Section 1256 contracts and straddles			
Other income			
Section 179 deduction			
Charitable contributions			
Portfolio deductions			
Investment interest expense			
Section 59(e)(2) expenditures			
Excess business interest expense			
Other deductions			
Net earnings from self-employment			
Gross farming or fishing income			
Gross nonfarm income			
LIH credit - Section 42(j)(5) partnerships			
- Other			
Qualified rehabilitation expenditures related to rental real estate			
Other rental credits			
Credits related to other rental activities			
Recapture of LIH credit - Section 42(j)(5) partnerships			
- Other			
Other credits			
Post-1986 depreciation adjustment			
Adjusted gain or loss			
Portion of adjusted gain/loss allocable to short-term gain/loss			
Portion of adjusted gain/loss allocable to long-term gain/loss			
Portion of adjusted gain/loss allocable to section 1231 gain/loss			
Depletion (other than oil and gas)			
Oil, gas and geothermal properties - gross income			
Oil, gas and geothermal properties - deductions			
Other AMT items			
Investment income		489.	
Investment expenses			
Section 199A - W-2 wages			
- Unadjusted basis of assets		110,381,702.	
- REIT dividends			
- Cooperative qualified business income			
- Cooperative W-2 wages			

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1 - Single Family Residence 2 - Multi-Family Residence 3 - Vacation or Short-Term Rental 4 - Commercial 5 - Land 6 - Royalties 7 - Self-Rental 8 - Other

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2020.04020 SE MULTIFAMILY HOLDINGS L

BVLLP 001348

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Schedule of Activities

For calendar year 2020, or tax year beginning

, 2020, and ending

Name : SE MULTIFAMILY HOLDINGS LLC

For: NEXPOINT REAL ESTATE PARTNERS LLC

Description of Activity	Activity Number	100% Disposed	PTP	P/T 199A	Type Code *	Description
	11				8	STONEY RIDGE
	4	X			8	NEXPOINT TEXAS MF PORTFOLIO
	4	X			8	NREA SOUTHEAST PORTFOLIO ONE, DST
	Activity - 11	Activity - 4	Activity - 4			
Ordinary business income (loss)	51,640.	533,068.	9,003.			
Net rental real estate income (loss)						
Other net rental income (loss)						
Interest income						
Dividends - Ordinary dividends						
- Qualified dividends						
- Dividend equivalents (1065 only)						
Royalties						
Net short-term capital gain (loss)						
Net long-term capital gain (loss)						
- Collectibles (28%) gain (loss)						
- Unrecaptured Section 1250 gain						
Net section 1231 gain (loss)						
Other portfolio income						
Section 1256 contracts and straddles						
Other income						
Section 179 deduction						
Charitable contributions						
Portfolio deductions						
Investment interest expense						
Section 59(e)(2) expenditures						
Excess business interest expense						
Other deductions						
Net earnings from self-employment						
Gross farming or fishing income						
Gross nonfarm income						
LIH credit - Section 42(j)(5) partnerships						
- Other						
Qualified rehabilitation expenditures related to rental real estate						
Other rental credits						
Credits related to other rental activities						
Recapture of LIH credit - Section 42(j)(5) partnerships						
- Other						
Other credits						
Post-1986 depreciation adjustment						
Adjusted gain or loss						
Portion of adjusted gain/loss allocable to short-term gain/loss						
Portion of adjusted gain/loss allocable to long-term gain/loss						
Portion of adjusted gain/loss allocable to section 1231 gain/loss						
Depletion (other than oil and gas)						
Oil, gas and geothermal properties - gross income						
Oil, gas and geothermal properties - deductions						
Other AMT items						
Investment income						
Investment expenses						
Section 199A - W-2 wages						
- Unadjusted basis of assets						
- REIT dividends						
- Cooperative qualified business income						
- Cooperative W-2 wages						

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1 - Single Family Residence 2 - Multi-Family Residence 3 - Vacation or Short-Term Rental 4 - Commercial 5 - Land 6 - Royalties 7 - Self-Rental 8 - Other

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2020.04020 SE MULTIFAMILY HOLDINGS L

BVLLP 001349